

## UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

April 22, 1993

Mr. Harry G. Steele Senior Vice President Finance and Administration Philip Morris Incorporated 120 Park Avenue New York, New York 10017

Dear Mr. Steele:

I have enclosed an Order to File a Special Report ("Order") regarding your company's sales of cigarettes and expenditures on advertising, merchandising, and promotion for cigarettes for the calendar year 1992. The information you provide in the Special Report will be used to compile the Federal Trade Commission's Annual Report to Congress on Cigarette Advertising, as required by Section 9(b) of the Federal Cigarette Labeling and Advertising Act, (15 U.S.C. § 1331 et. seq.). The "tar," nicotine and carbon monoxide data provided in response to this Order will be published in a separate Commission report.

Please read the instructions contained within the Order carefully. As noted in the Memorandum of January 4, 1993, to Cigarette Advertising Reporting Companies, all data responsive to this Order should be submitted in an IBM/PC compatible database format. I am including a copy of this Memorandum for your information.

I would again like to "decouple" the due date for the "tar," nicotine, and carbon monoxide information from the remainder of the Special Report, as we have in the past. This Order is requesting from your company the "tar," nicotine, and carbon monoxide results of Tobacco Institute Testing Laboratory's Cigarette Market Sample #35.

The Special Report must be completed and returned within sixty days from receipt of this letter. The "tar," nicotine, and carbon monoxide data may be provided at a later date on a separate list if they are not available from TITL within the 60-day deadline specified in this Order. Conversely, if the "tar," nicotine, and carbon monoxide data are ready in advance of the rest of your Special Report, please provide them on a separate list as soon as possible, to facilitate more prompt publishing in the Federal Register. The separate list for "tar," nicotine, and

carbon monoxide should include the Brand Name, Variety Description, 5-digit FTC Code, 6-digit UPC Code, and "tar," nicotine, and carbon monoxide values for each brand variety of cigarette included in your Special Report. If you have any questions regarding the filing of this Special Report, please call me on (202) 326-3398.

Documents submitted in compliance with this Order that are marked "confidential" will not be disclosed without first giving you ten days' notice of the Commission's intention to do so, except as provided in Sections 6(f) and 21 of the Federal Trade Commission Act (the "FTC Act"). This requirement does not apply to release of "tar," nicotine and carbon monoxide data, which will be released by brand name in the Commission's Annual Tar and Nicotine Report. Furthermore, no documents containing confidential commercial or financial information within the meaning of Section 6(f) of the FTC Act may be disclosed publicly without your consent. We will disclose the sales, advertising, merchandising and promotional data in our report in an aggregate form only.

Once again, this Order requires that you report all advertising, merchandising, and promotional expenditures relating to cigarettes regardless of whether such advertising or promotions would constitute "commercial speech" or would be protected from law enforcement action under the First Amendment.

Respectfully,

Sheri Thomas

Division of Advertising Practices

Enclosure